

5/17

**Community Development Commission**

May 17, 2004

To: Each Supervisor  
From: Carlos Jackson, Executive Director  
SUBJECT: **UPDATE ON SECTION 8 PROGRAM**

On April 22, 2004, the Department of Housing and Urban Development (HUD) issued a Public and Indian Housing Notice (PIH 2004-7) that has significantly changed the subsidy levels for the Section 8 Program. The notice implemented changes to the funding of the Housing Choice Voucher Program resulting from the Federal Fiscal Year 2004 Consolidated Appropriations Act which was signed into law on January 30, 2004.

Our Section 8 Program currently has 20,275 vouchers. In prior years, HUD would fund us at the full amount of each voucher up to the baseline number of units allocated. Renewal calculations for funding levels will now be done on an average voucher amount which was reported to HUD in August 2003 with an annual allowance for inflation. The full impact of these changes is not yet known. Staff is working on an analysis and we plan to report back to you in two weeks with available options. I discussed these changes last week with your deputies at the budget presentation.

The Community Development Commission recently received a call from the Los Angeles Times, which is doing an article on the proposed changes. I declined comment, stating that we would respond to them in four weeks once our analysis was completed and we had informed you as to our proposed recommendations.

CJ:sm

c: Each Deputy